

To the Members of the California State Assembly:

I am returning Assembly Bill 1840 without my signature. As I stated last year in my veto of AB 89 (Horton), compiling a report of California employers with more than 25 employees whose employees or their dependents are enrolled in public health insurance programs, would provide little value and fail to account for the complex and multi-faceted decision-making process that employees and employers consider when choosing health insurance. As crafted AB 1840 would yield incomplete information, based on data that most likely can not be verified, and include only a subset of employers, employees and their families.

Rather than imposing new reporting mandates that offer limited value, I have directed the Department of Health Services to review the Medi-Cal caseload to better understand the employment status of beneficiaries to help inform California's health care reform efforts. With my partners in the Legislature, I look forward in 2007 to working to develop a comprehensive and systemic framework that advances the principle of shared responsibility among individuals, employers and government to promote an affordable, accessible and quality health care system.

Sincerely,

Arnold Schwarzenegger